

# **PARTNERS FOR SUCCESS**

## **Lunch Session**

### **The Arizona Department of Real Estate**

**Assistant Commissioners:**

**Tom Adams**

**Jerome Jordan**

**Roy Tanney**

**February 14, 2008**

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A Real Estate broker purchases property and does a minor land split.

The same broker is hired to represent a property owner, who did a minor land division, in the sale of their property in the same geographical area. Is there a violation of state statutes?

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## When do the requirements for a public report take effect?

1. When a split into more than 5 parcels occurs
2. When there are more than 5 parcels and one or more is sold
3. When there are more than 5 parcels and one or more is advertised for sale
4. When there are more than 5 parcels and construction on homes is started/finished



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**Over what timeframe  
does the “more than  
5” rule apply?**

If a person buys a property and  
“5 splits” it, selling all or some  
of the five lots, and 20 years  
later buys adjacent property, is  
a public report required?

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Question: Is the recording of a survey (OTHER THAN A SUBDIVISION PLAT) a "division" of a lot or parcel? Examples:

1. A party acquires a parcel, surveys it, and gets MLD approval from the County, "dividing" the parcel into Lots A through E. The party then sells the entire parcel to one buyer. Is this a sale of 1 parcel, or 5?
2. The party obtains an abandonment or revocation of the MLD or lot split approval and then sells the entire parcel to one buyer. Is this a sale of 1 parcel, or 5?
3. The person simply recorded a survey depicting the parcel with Lots A through E. No MLD application is filed. The person then sells the entire parcel to one buyer. Is this a sale of 1 parcel or 5?

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Do either of these create a subdivision?

- The recording of Deed Restrictions, Road Maintenance Agreements, creating road easement and extending utility easements to provide utilities to a minor land split parcel (5 or fewer parcels).
- After a road easement is created by adjoining land owners, and several years pass, the owners get together to pave the road.



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A.R.S. 9-463.01 L & M says a municipality can regulate lot splits and a minor subdivision of 10 or fewer lots without a preliminary plat.

1. How does the ADRE treat these cases?
2. Are a public report, public improvements, assurance of constructions required?
3. Do subdivisions with 6 or more lots automatically qualify for all the requirements under ADRE?

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What is the significance, if any, of separate county assessor parcels within one "piece" of land under single ownership?



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Question: If a non-residential developer completed all of the off-site improvements, can they subdivide without having to go through the subdivision process?

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## Scenario:

- A person owns 21 lots, all 2+ acres in size and located in existing subdivisions.
- He wants to split them to 1+ acre lots but does not want to create a subdivision.
- The lots are all single, non adjacent lots and are spread out over four different townships and ranges.
- The townships and ranges are all adjacent to one another.
- If he splits these lots, creating 42 lots, will this require him to obtain a public report?

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## Scenario:

- A person owns an exterior lot in an approved subdivision (with a public report) and purchases a contiguous parcel outside the subdivision.
- The County will not allow the two parcels to be combined as one, which would change the boundaries of the subdivision.
- Can the outside parcel be divided into 5 new parcels and sold?



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## Scenario:

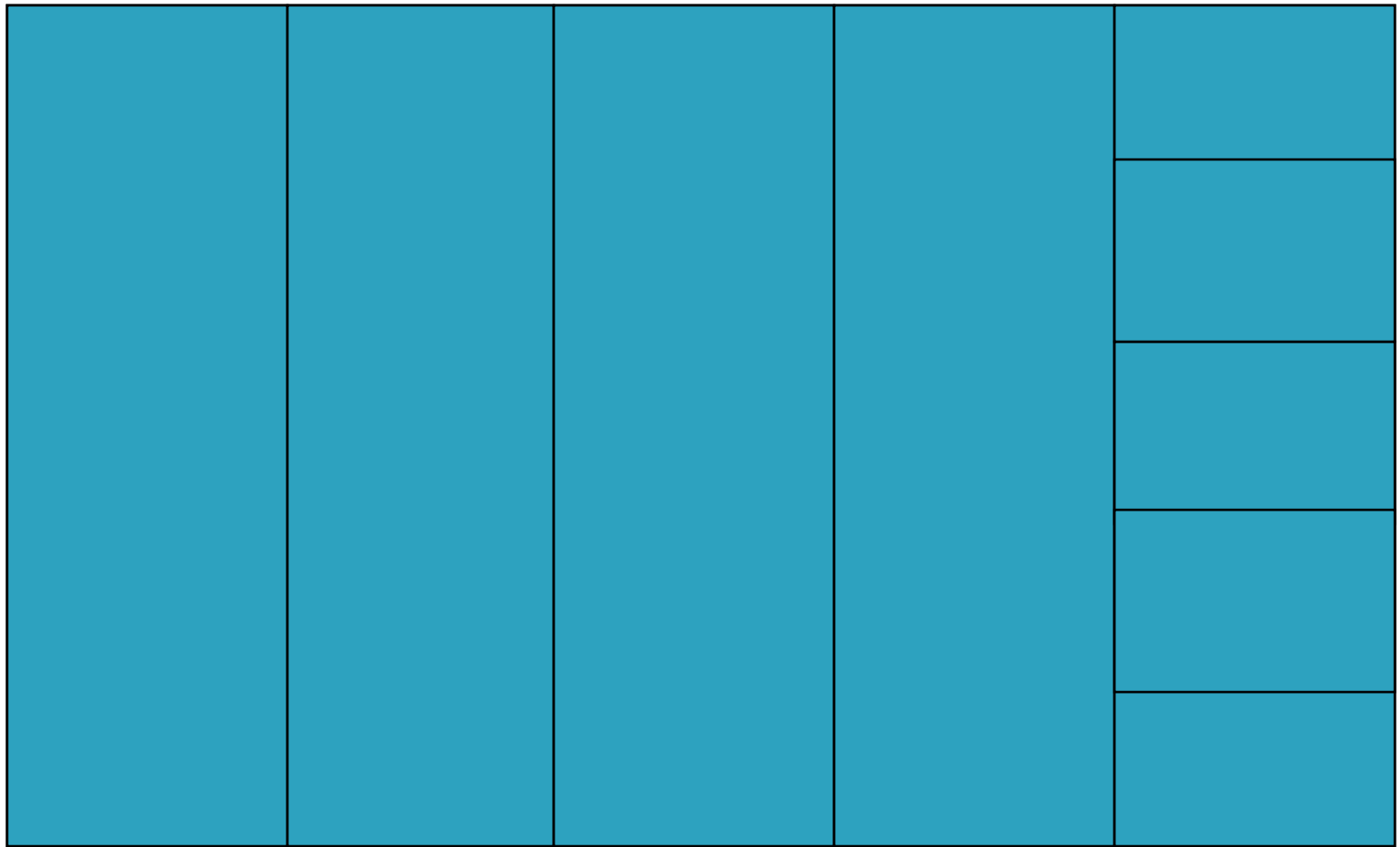
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Scenario: A person owns an exterior lot in an approved subdivision (with a public report) and purchases a contiguous parcel outside the subdivision.

The County will not allow the two parcels to be combined as one, which would change the boundaries of the subdivision.

Can the outside parcel be divided into 5 new parcels and sold?



200 acres

40 acre parcels

5 acre parcels



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Question: If a person buys two 40 acre non-adjacent parcels within an unsubdivided land development, can the person split each 40 acre parcel into 5 new parcels without creating a subdivision?

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## Contact Info:

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**Thank You**

**Afternoon session  
begins at 1:00.**